

▶ **Universality:** foreign investment is allowed in all economic sectors apart from the following exceptions: national defense and security; the processing and disposal of toxic or radioactive waste not produced in the country; the business of buying, selling or renting of real estate; and real estate backed securities.

▶ **Automatic authorization:** foreign investors need no prior authorization to invest except in the following cases:

a) by the National Department of Planning for the provision of public services, excluding cellular phone service; the processing of toxic waste produced in the country; mining projects with investment over \$100 million; projects requiring coverage by entities providing investment protection, guarantees or insurance derived from international agreements.

b) by the Superintendent of Banks for any investment whose object is the acquisition of 10 percent or more of the share of any financial institution; investments destined for the creation of a financial institution; foreign investment funds in cases where the expectation is to obtain more than five percent of the voting shares of a financial institution.

c) by the National Stock Exchange Superintendent for portfolio investments in institutional funds; and,

d) by the Ministry of Mines and Energy for investment projects in exploration and development of oil and natural gas; the total or partial transfer of titles of oil and gas projects; hydrocarbon refining, transportation and distribution; projects developed for the exploration development and processing of minerals.

Taxation

Foreign investors are permitted to repatriate up to 100% of their profits after deducting 30% as income tax and 7% as remittance tax on net proceeds.

Joint Ventures/Licensing:

Joint ventures and licensing agreements have been in effect in Colombia for many years as important tools for transferring technology. Legislation in Colombia has been changed to permit these types of association, so as to encourage and promote foreign investment and the protection of intellectual property rights.